GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:1747
ANSWERED ON:23.08.2007
REGULATORY AUTHORITY FOR PRIVATE AIRLINES
Aaron Rashid Shri J.M.

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has decided to grant domestic airlines the freedom to change flight schedules and increase passenger fare and levy surcharges without the prior approval of Government;

(b) if so, the reasons for giving this freedom to private operators;

(c) whether the Government is considering constituting any Regulatory Authority on the lines of TRAI for private airlines;

(d) if so, the details thereof; and

(e) if not, reasons therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a) and (b):- All airlines including private scheduled airlines submit flight schedule prepared by them to various owners of the airports like Airports Authority of India, Air Hqrs, Naval Hqrs., HAL Bangalore, Cochin International Airport Ltd. for time slot approval including Bureau of Civil Aviation Security. The flight schedules are finally approved by DGCA based on the approvals received from these agencies.

As regards passenger fares and surcharges, the domestic air fares are not regulated by the Government. Domestic airlines are free to charge air fares depending upon market forces.

(c):- No, Sir.

(d):- Does not arise.

(e):- Civil aviation sector on transport side already has market based competition where fares, entry & exit of firms are market determined. Amongst airlines, their anti-competitive practices can be checked through competition laws of the country.